

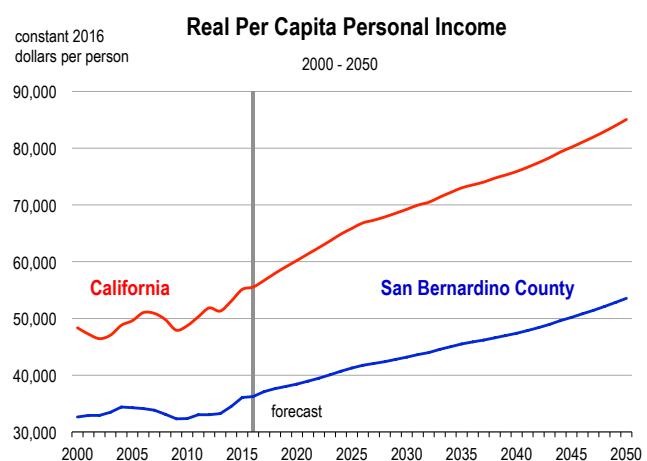
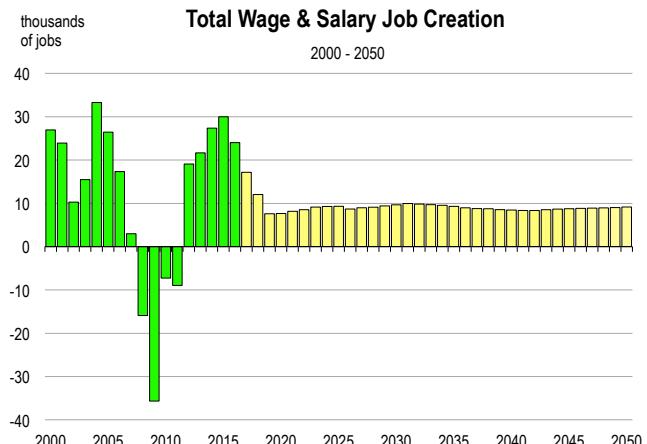
SAN BERNARDINO COUNTY ECONOMIC FORECAST

San Bernardino County is the largest county in the nation in terms of total land area. San Bernardino County has a population of 2.1 million people and a total of 729,700 wage and salary jobs. The per capita income is \$36,232 and the average salary per worker is \$55,548.

In 2016, total employment increased by 2.5 percent across Southern California. In San Bernardino County, a total of 24,100 jobs were gained, representing a growth rate of 3.4 percent. The unemployment rate improved rapidly, falling from 6.5 percent in 2015 to 5.7 percent in 2016.

In 2016, most major sectors were characterized by job growth. The largest gains occurred in healthcare and education (+4,900 jobs), transportation and warehousing (+4,600 jobs), leisure and hospitality (+3,600 jobs), and government (+3,600 jobs). The only major losses were in professional and business services (-900 jobs).

From 2011 to 2016, the San Bernardino County population increased at an annual average rate of 0.8 percent. This growth was due entirely to the natural increase (new births), as net migration was negative.



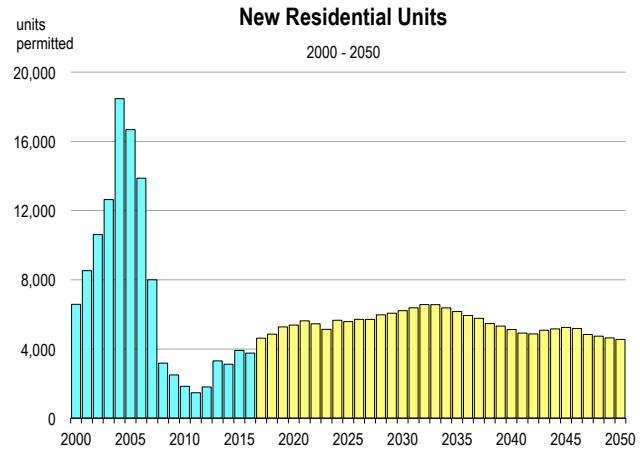
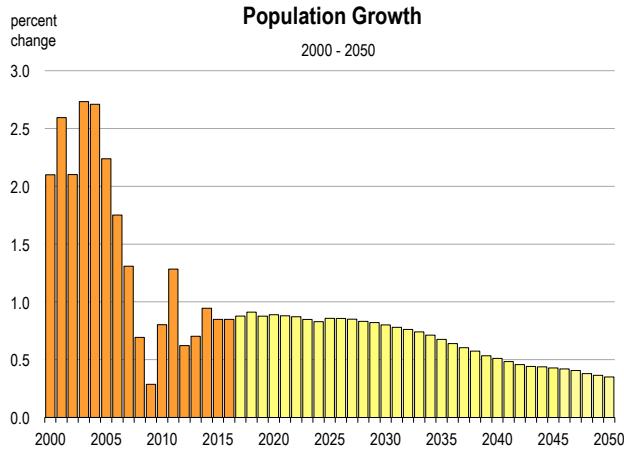
FORECAST HIGHLIGHTS

- Wage and salary employment is expected to increase by 2.4 percent in 2017. From 2017 to 2022, the annual growth rate is expected to average 1.2 percent.
- Average salaries are currently below the California state average, and will remain so over the foreseeable future. In San Bernardino County, inflation-adjusted salaries are forecast to rise by an average of 1.2 percent per year between 2017 and 2022.
- Employment growth will be widespread, but from 2017 to 2022, the largest gains will be observed in education and healthcare, transportation and utilities, professional and business services, and wholesale and retail trade. Combined, these sectors will account for 74 percent of net job creation.
- From 2017 to 2022, population growth is expected to average 0.9 percent per year.
- Net migration will be positive but low. Between 2017 and 2022, an average of 2,900 net migrants will enter the county each year.
- Real per capita income is expected to rise by 2.4 percent in 2017. During the 2017-2022 period, real per capita income is expected to increase by 1.3 percent per year.
- Total taxable sales will increase by an average of 2.3 percent per year from 2017 to 2022.
- Industrial production will rise by 4.3 percent in 2017. From 2017 to 2022, the growth rate of industrial production is expected to average 2.3 percent per year.

San Bernardino County Economic Forecast

2010-2016 History, 2017-2050 Forecast

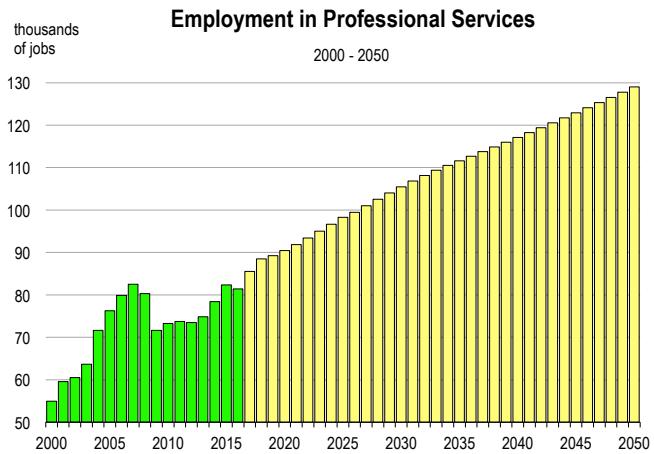
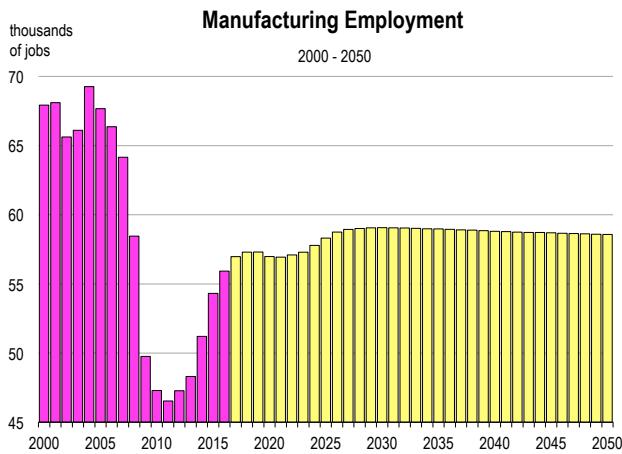
	Population (people)	Net Migration (people)	Registered Vehicles (millions)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (billions)	Unemploy- ment Rate (percent)
2010	2,038,546	-3,778	1.64	611.6	1,847	\$24.7	\$59.8	\$32,341	1.2	471.8	17.5	13.5
2011	2,064,734	6,946	1.63	613.7	1,465	\$27.3	\$63.4	\$33,023	2.7	558.2	17.3	12.9
2012	2,077,560	-5,232	1.63	617.5	1,810	\$29.5	\$65.2	\$33,029	2.0	491.3	18.2	11.4
2013	2,092,149	-3,222	1.68	622.7	3,313	\$31.2	\$66.8	\$33,245	1.1	402.3	19.1	9.8
2014	2,111,913	2,013	1.72	625.1	3,115	\$33.1	\$70.8	\$34,480	1.3	541.9	20.8	8.0
2015	2,129,851	-36	1.76	628.5	3,912	\$35.3	\$75.4	\$36,070	0.9	472.6	22.2	6.5
2016	2,147,933	1,220	1.80	630.9	3,761	\$37.4	\$77.8	\$36,232	1.9	454.6	23.5	5.7
2017	2,166,777	2,159	1.81	632.6	4,624	\$39.2	\$82.3	\$37,091	2.4	411.6	24.5	5.6
2018	2,186,527	3,052	1.83	636.7	4,858	\$41.3	\$86.3	\$37,628	2.4	404.4	25.0	5.6
2019	2,205,696	2,469	1.84	641.1	5,278	\$43.1	\$89.6	\$38,046	1.9	399.7	25.6	5.7
2020	2,225,304	2,950	1.85	645.8	5,383	\$45.1	\$93.6	\$38,430	2.4	400.8	26.1	5.7
2021	2,244,884	2,948	1.87	650.6	5,627	\$47.0	\$97.9	\$38,934	2.4	401.5	26.7	5.7
2022	2,264,448	2,975	1.88	655.6	5,456	\$49.1	\$102.5	\$39,478	2.4	399.6	27.4	5.6
2023	2,283,658	2,694	1.89	660.5	5,137	\$51.1	\$107.3	\$40,072	2.3	398.1	28.2	5.5
2024	2,302,589	2,493	1.90	665.1	5,662	\$53.3	\$112.5	\$40,717	2.3	395.6	29.0	5.4
2025	2,322,340	3,420	1.91	670.1	5,584	\$55.7	\$117.5	\$41,268	2.2	392.9	29.9	5.3
2026	2,342,241	3,684	1.93	675.1	5,715	\$58.0	\$122.5	\$41,763	2.1	390.8	30.6	5.2
2027	2,362,163	3,864	1.94	680.2	5,710	\$60.2	\$127.1	\$42,049	2.2	388.3	31.5	5.2
2028	2,381,809	3,778	1.94	685.3	5,974	\$62.5	\$131.8	\$42,389	2.0	386.6	32.4	5.2
2029	2,401,365	3,883	1.95	690.7	6,069	\$64.7	\$136.6	\$42,775	1.8	385.7	33.4	5.2
2030	2,420,599	3,767	1.96	696.1	6,215	\$67.1	\$141.4	\$43,185	1.7	385.2	34.4	5.2
2031	2,439,483	3,632	1.96	701.7	6,380	\$69.5	\$146.3	\$43,635	1.6	385.1	35.4	5.2
2032	2,458,067	3,551	1.97	707.4	6,569	\$72.2	\$151.4	\$43,997	1.8	384.2	36.4	5.1
2033	2,476,269	3,408	1.97	713.2	6,564	\$74.7	\$156.5	\$44,527	1.4	384.9	37.5	5.1
2034	2,493,913	3,131	1.98	719.1	6,376	\$77.3	\$161.9	\$45,015	1.6	384.8	38.6	5.2
2035	2,510,766	2,619	1.98	724.8	6,166	\$80.0	\$167.6	\$45,497	1.7	384.4	39.7	5.1
2036	2,526,819	2,072	1.99	730.3	5,939	\$82.9	\$173.6	\$45,844	2.1	382.5	40.8	5.1
2037	2,542,078	1,539	2.00	735.6	5,773	\$85.9	\$179.8	\$46,178	2.2	380.3	42.0	5.2
2038	2,556,676	1,116	2.00	740.8	5,470	\$88.8	\$186.2	\$46,602	2.0	378.8	43.2	5.1
2039	2,570,328	401	2.01	745.6	5,323	\$91.8	\$192.8	\$46,976	2.2	376.6	44.4	5.1
2040	2,583,472	107	2.01	750.4	5,125	\$94.9	\$199.7	\$47,383	2.1	374.8	45.6	5.1
2041	2,595,970	-345	2.02	755.0	4,919	\$97.9	\$206.5	\$47,864	1.9	373.8	46.9	5.1
2042	2,607,850	-786	2.03	759.4	4,871	\$100.8	\$213.6	\$48,388	1.8	373.1	48.2	5.1
2043	2,619,367	-987	2.04	763.7	5,084	\$103.7	\$220.8	\$48,959	1.7	372.8	49.5	5.1
2044	2,630,847	-870	2.04	768.3	5,162	\$106.6	\$228.1	\$49,607	1.5	373.2	50.9	5.1
2045	2,642,124	-922	2.05	772.9	5,248	\$109.6	\$235.8	\$50,188	1.7	372.9	52.3	5.1
2046	2,653,227	-959	2.05	777.6	5,187	\$112.6	\$243.6	\$50,806	1.6	373.0	53.8	5.1
2047	2,664,011	-1,177	2.06	782.2	4,840	\$115.6	\$251.6	\$51,438	1.6	373.2	55.3	5.1
2048	2,674,126	-1,743	2.07	786.5	4,743	\$118.7	\$260.0	\$52,108	1.6	373.3	56.8	5.1
2049	2,683,885	-1,994	2.07	790.8	4,642	\$121.9	\$268.8	\$52,808	1.6	373.4	58.4	5.1
2050	2,693,298	-2,231	2.08	794.9	4,555	\$125.1	\$277.9	\$53,545	1.6	373.6	60.0	5.1

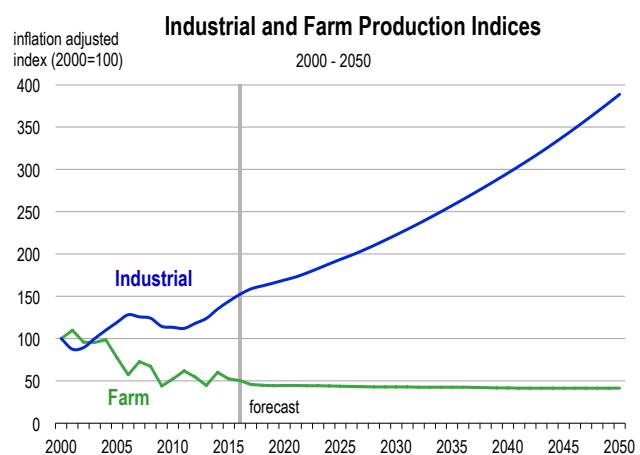
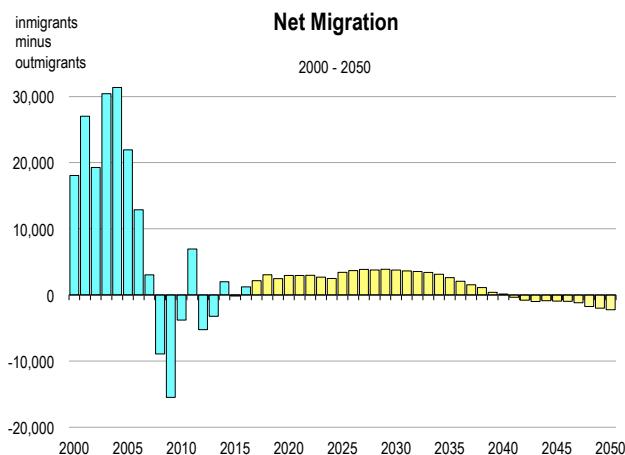
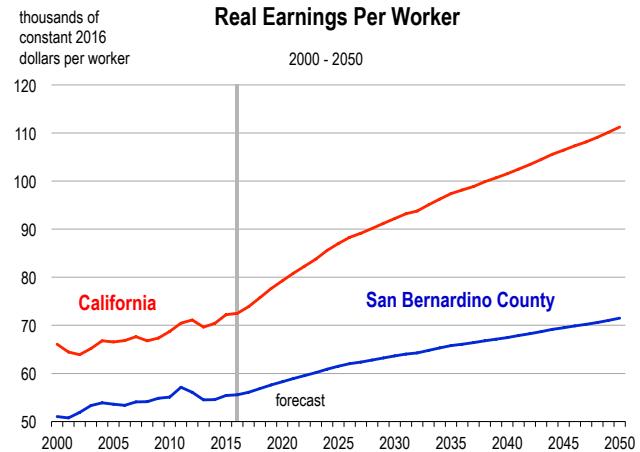
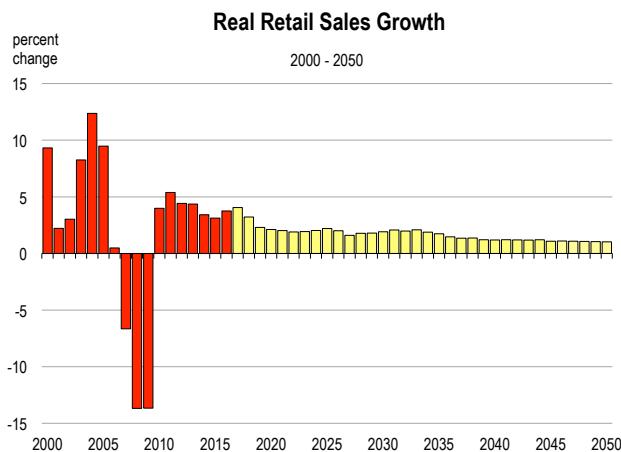


San Bernardino County Employment Forecast

2010-2016 History, 2017-2050 Forecast

	Total Wage & Salary	Farm	Construction	Manufacturing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
	employment (thousands of jobs)											
2010	616.5	2.60	24.3	47.3	46.4	106.6	21.3	73.3	3.8	90.2	55.1	125.2
2011	607.5	2.45	25.0	46.5	47.6	106.3	20.9	73.7	4.5	91.1	55.1	113.3
2012	626.6	2.43	26.8	47.3	52.0	112.5	21.0	73.5	5.3	94.7	57.1	112.5
2013	648.3	2.42	27.4	48.3	53.5	116.5	21.3	74.9	5.3	102.1	60.9	114.0
2014	675.7	2.55	30.1	51.2	58.8	119.7	21.8	78.4	5.0	105.3	64.3	116.1
2015	705.6	1.97	32.5	54.3	63.5	123.1	22.4	82.3	4.9	109.6	68.2	119.5
2016	729.7	1.95	35.0	55.9	68.1	126.2	23.1	81.4	5.0	114.5	71.8	123.1
2017	746.8	1.89	36.4	57.0	69.9	128.9	23.5	85.5	5.1	117.0	73.3	124.2
2018	758.9	1.83	36.9	57.3	72.5	131.6	23.9	88.5	5.1	118.7	74.2	123.8
2019	766.4	1.78	37.4	57.3	74.1	133.1	24.2	89.2	5.1	120.5	75.1	123.6
2020	774.1	1.74	37.8	57.0	75.2	134.4	24.5	90.4	5.2	122.4	76.4	123.8
2021	782.3	1.71	38.3	56.9	76.3	135.8	24.8	91.8	5.2	124.2	77.7	123.9
2022	790.8	1.69	38.6	57.1	77.4	137.0	25.1	93.4	5.2	126.1	79.1	124.2
2023	799.9	1.66	38.9	57.3	78.4	138.2	25.4	95.0	5.2	128.2	80.4	124.7
2024	809.2	1.64	39.4	57.8	79.5	139.5	25.7	96.7	5.3	130.3	81.2	125.5
2025	818.5	1.62	39.6	58.3	80.5	140.8	26.0	98.3	5.3	132.5	81.7	126.6
2026	827.2	1.60	40.0	58.7	81.7	142.3	26.3	99.5	5.3	134.5	82.3	127.5
2027	836.2	1.59	40.7	58.9	82.9	143.5	26.6	101.0	5.4	136.7	82.7	128.4
2028	845.3	1.57	41.5	59.0	84.1	144.8	26.9	102.5	5.4	138.8	83.2	129.1
2029	854.7	1.56	42.5	59.1	85.3	146.1	27.2	104.0	5.4	141.0	83.9	129.9
2030	864.4	1.54	43.5	59.1	86.5	147.5	27.5	105.5	5.4	143.3	84.8	130.7
2031	874.3	1.54	44.5	59.1	87.8	149.1	27.8	106.8	5.4	145.5	85.6	131.6
2032	884.2	1.53	45.5	59.0	89.0	150.6	28.0	108.1	5.5	147.7	86.5	132.5
2033	893.9	1.52	46.5	59.0	90.3	152.2	28.3	109.4	5.5	150.0	87.4	133.3
2034	903.4	1.52	47.5	59.0	91.6	153.7	28.6	110.5	5.5	152.2	88.3	134.2
2035	912.7	1.51	48.5	59.0	92.8	155.1	28.9	111.6	5.5	154.4	89.2	134.9
2036	921.7	1.51	49.4	58.9	94.0	156.4	29.1	112.7	5.5	156.6	90.1	135.6
2037	930.5	1.50	50.4	58.9	95.1	157.6	29.4	113.8	5.6	158.9	91.1	136.1
2038	939.2	1.49	51.3	58.9	96.3	158.8	29.7	114.9	5.6	161.2	92.1	136.6
2039	947.8	1.48	52.2	58.9	97.3	159.9	30.0	116.0	5.6	163.4	93.1	136.9
2040	956.2	1.48	53.2	58.8	98.4	161.1	30.3	117.1	5.6	165.7	94.2	137.2
2041	964.6	1.47	54.1	58.8	99.4	162.2	30.6	118.2	5.7	167.9	95.2	137.3
2042	972.9	1.46	55.1	58.7	100.3	163.3	30.8	119.4	5.7	170.2	96.3	137.4
2043	981.5	1.46	56.2	58.7	101.3	164.5	31.1	120.6	5.7	172.5	97.4	137.6
2044	990.1	1.45	57.2	58.7	102.3	165.7	31.4	121.7	5.7	174.7	98.6	137.7
2045	998.9	1.45	58.2	58.7	103.4	166.7	31.7	122.9	5.7	177.0	99.7	138.1
2046	1,007.7	1.45	59.2	58.7	104.4	167.9	32.0	124.1	5.8	179.3	100.9	138.4
2047	1,016.6	1.44	60.2	58.6	105.4	169.0	32.3	125.3	5.8	181.6	102.0	138.8
2048	1,025.6	1.44	61.2	58.6	106.3	170.1	32.6	126.5	5.8	183.9	103.2	139.3
2049	1,034.6	1.44	62.2	58.6	107.3	171.2	33.0	127.8	5.8	186.3	104.4	139.7
2050	1,043.8	1.44	63.3	58.6	108.2	172.2	33.3	129.0	5.8	188.7	105.6	140.2





County Economic and Demographic Indicators

Projected Economic Growth (2017-2022)

Expected retail sales growth:	12.1%
Expected job growth:	5.9%
Fastest growing jobs sector:	Transportation & Utilities
Expected personal income growth:	11.2%

Expected population growth:	4.5%
Net migration to account for:	14.7%
Expected growth in number of vehicles:	4.0%

Demographics (2017)

Unemployment rate (April 2017):	4.6%
County rank* in California (58 counties):	21st
Working age (16-64) population:	65.3%

Population with B.A. or higher:	18.7%
Median home selling price (2016):	\$283,500
Median household income:	\$55,589

Quality of Life

Violent crime rate (2015):	431 per 100,000 persons
County rank* in California (58 counties):	36th
Average commute time to work (2017):	33 minutes

High school drop out rate (2016):	10.3%
Households at/below poverty line (2017):	16.1%

* The county ranked 1st corresponds to the lowest rate in California